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## DEPARTMENT OF COMMERCE

### International Trade Administration

[A-351-849, A-580-890, A-201-848, A-455-805]

### **Emulsion Styrene-Butadiene Rubber from Brazil, the Republic of Korea, Mexico, and Poland: Antidumping Duty Orders**

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: Based on affirmative final determinations by the Department of Commerce (the Department) and the International Trade Commission (the ITC), the Department is issuing antidumping duty orders on emulsion styrene-butadiene rubber (ESB rubber) from Brazil, the Republic of Korea (Korea), Mexico, and Poland.

DATES: Applicable [INSERT DATE OF PUBLICATION IN THE *Federal Register*].

FOR FURTHER INFORMATION CONTACT: Drew Jackson at (202) 482-4406, (Brazil); Carrie Bethea at (202) 482-1491, (Korea); Julia Hancock, (202) 482-1394 (Mexico); Stephen Bailey at (202) 482-0193, (Poland), AD/CVD Operations, Enforcement and Compliance, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230.

#### SUPPLEMENTARY INFORMATION:

##### Background

In accordance with sections 735(d) and 777(i)(1) of the Tariff Act of 1930, as amended (the Act), and 19 CFR 351.210(c), on July 19, 2017, the Department published affirmative final determinations in the less-than-fair-value (LTFV) investigations of ESB rubber from Brazil,

Korea, Mexico, and Poland.<sup>1</sup> On September 1, 2017, the ITC notified the Department of its affirmative determination that an industry in the United States is materially injured within the meaning of section 735(b)(1)(A)(i) of the Act, by reason of the LTFV imports of ESB rubber from Brazil, Korea, Mexico, and Poland, and its determination that critical circumstances do not exist with respect to imports of subject merchandise from Korea subject to the Department's affirmative critical circumstances determination.<sup>2</sup>

For Mexico, on July 17, 2017, we received comments from Industrias Negromex S.A. de C.V. (Negromex), the sole mandatory respondent in the Mexico investigation, that we made ministerial errors in our final determination.<sup>3</sup> The allegations raised by Negromex in its comments do not result in a change to Negromex's margin from the final determination. As such, we are not amending Negromex's margin from the final determination.<sup>4</sup>

#### Scope of the Orders

The products covered by these orders are cold-polymerized emulsion styrene-butadiene rubber. For a complete description of the scope of these orders, *see* the Appendix to this notice.

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<sup>1</sup> See *Emulsion Styrene-Butadiene Rubber from Brazil: Final Affirmative Determination of Sales at Less Than Fair Value and Final Negative Determination of Critical Circumstances*, 82 FR 33048 (July 19, 2017) (*Brazil Final*); *Emulsion Styrene-Butadiene Rubber from the Republic of Korea: Final Affirmative Determination of Sales at Less Than Fair Value, and Final Affirmative Determination of Critical Circumstances, in Part*, 82 FR 33045 (July 19, 2017) (*Korea Final*); *Emulsion Styrene-Butadiene Rubber from Mexico: Final Affirmative Determination of Sales at Less Than Fair Value*, 82 FR 33062 (July 19, 2017) (*Mexico Final*); and *Emulsion Styrene-Butadiene Rubber from Poland: Final Affirmative Determination of Sales at Less Than Fair Value*, 82 FR 33061 (July 19, 2017) (*Poland Final*).

<sup>2</sup> See Letter to Gary Taverman, Acting Assistant Secretary of Commerce for Enforcement and Compliance, from Rhonda K. Schmidlein, Chairman of the U.S. International Trade Commission, regarding emulsion styrene-butadiene rubber from Brazil, Korea, Mexico, and Poland (September 1, 2017) (ITC Letter).

<sup>3</sup> See *Mexico Final*.

<sup>4</sup> See Memorandum, "Antidumping Duty Investigation of Emulsion Styrene-Butadiene Rubber from Mexico: Ministerial Error Allegations Memorandum," dated August 22, 2017.

### Antidumping Duty Orders

In accordance with sections 735(b)(1)(A)(i) and 735(d) of the Act, the ITC notified the Department of its final determinations in these investigations, in which it found that an industry in the United States is materially injured by reason of imports of ESB rubber from Brazil, Korea, Mexico, and Poland. The ITC also notified the Department of its determination that critical circumstances do not exist with respect to imports of ESB rubber from Korea subject to the Department's critical circumstances finding.<sup>5</sup> Therefore, in accordance with section 735(c)(2) of the Act, the Department is issuing these antidumping duty orders. Because the ITC determined that imports of ESB rubber from Brazil, Korea, Mexico, and Poland are materially injuring a U.S. industry, unliquidated entries of such merchandise from Brazil, Korea, Mexico, and Poland, entered or withdrawn from warehouse for consumption, are subject to the assessment of antidumping duties.

As a result of the ITC's final determination, in accordance with section 736(a)(1) of the Act, the Department will direct U.S. Customs and Border Protection (CBP) to assess, upon further instruction by the Department, antidumping duties equal to the amount by which the normal value of the merchandise exceeds the export price (or constructed export price) of the merchandise, for all relevant entries of ESB rubber from Brazil, Korea, Mexico, and Poland. Antidumping duties will be assessed on unliquidated entries of ESB rubber from Brazil, Korea, Mexico, and Poland entered, or withdrawn from warehouse, for consumption on or after

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<sup>5</sup> See ITC Letter.

February 24, 2017, the date of publication of the preliminary determinations,<sup>6</sup> but will not include entries occurring after the expiration of the provisional measures period and before publication of the ITC's final injury determination as further described below.

#### Suspension of Liquidation

In accordance with section 735(c)(1)(B) of the Act, the Department will instruct CBP to continue to suspend liquidation on all relevant entries of ESB rubber from Brazil, Korea, Mexico, and Poland. These instructions suspending liquidation will remain in effect until further notice.

The Department will also instruct CBP to require cash deposits equal to the amounts as indicated below. Accordingly, effective on the date of publication of the ITC's final affirmative injury determinations, CBP will require, at the same time as importers would normally deposit estimated duties on this subject merchandise, a cash deposit equal to the cash deposit rates listed below.<sup>7</sup> The relevant all-others rates apply to all producers or exporters not specifically listed, as appropriate.

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<sup>6</sup> See *Emulsion Styrene-Butadiene Rubber from Brazil: Preliminary Affirmative Determination of Sales at Less Than Fair Value, Negative Determination of Critical Circumstances, Postponement of Final Determination, and Extension of Provisional Measures*, 82 FR 11538 (February 24, 2017) (*Brazil Preliminary Determination*); *Emulsion Styrene-Butadiene Rubber from the Republic of Korea: Preliminary Affirmative Determination of Sales at Less Than Fair Value, Affirmative Determination of Critical Circumstances, in Part, Postponement of Final Determination, and Extension of Provisional Measures*, 82 FR 11536 (February 24, 2017) (*Korea Preliminary Determination*); *Emulsion Styrene-Butadiene Rubber from Mexico: Preliminary Affirmative Determination of Sales at Less Than Fair Value, Postponement of Final Determination, and Extension of Provisional Measures*, 82 FR 11534 (February 24, 2017) (*Mexico Preliminary Determination*); and *Emulsion Styrene-Butadiene Rubber from Poland: Preliminary Affirmative Determination of Sales at Less Than Fair Value, Postponement of Final Determination, and Extension of Provisional Measures*, 82 FR 11531 (February 24, 2017) (*Poland Preliminary Determination*).

<sup>7</sup> See section 736(a)(3) of the Act.

## Provisional Measures

Section 733(d) of the Act states that instructions issued pursuant to an affirmative preliminary determination may not remain in effect for more than four months, except where exporters representing a significant proportion of exports of the subject merchandise request the Department to extend that four-month period to no more than six months. At the request of exporters that account for a significant proportion of ESB rubber from Brazil, Korea, Mexico, and Poland, the Department extended the four-month period to six months in each case.<sup>8</sup> In the underlying investigations, the Department published the preliminary determinations on February 24, 2017. Therefore, the extended period, beginning on the date of publication of the preliminary determination, ended on August 24, 2017. Furthermore, section 737(b) of the Act states that the collection of final, estimated cash deposits will begin on the date of publication of the ITC's final injury determination.

Therefore, in accordance with section 733(d) of the Act and our practice, the Department will instruct CBP to terminate the suspension of liquidation and to liquidate, without regard to antidumping duties, unliquidated entries of ESB rubber from Brazil, Korea, Mexico, and Poland entered, or withdrawn from warehouse, for consumption after August 24, 2017, the date on which the provisional measures expired, until and through the day preceding the date of publication of the ITC's final injury determinations in the *Federal Register*. Suspension of liquidation will resume on the date of publication of the ITC's final determination in the *Federal Register*.

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<sup>8</sup> See *Brazil Preliminary Determination*; *Korea Preliminary Determination*; *Mexico Preliminary Determination*; and *Poland Preliminary Determination*.

### Critical Circumstances

With regard to the ITC's negative critical circumstances determination on imports of subject merchandise from Korea, the Department will instruct CBP to lift suspension and to refund any cash deposits made to secure the payment of estimated antidumping duties with respect to entries of subject merchandise entered, or withdrawn from warehouse, for consumption on or after November 26, 2016 (*i.e.*, 90 days prior to the date of publication of the preliminary determinations), but before February 24, 2017, (*i.e.*, the date of publication of the preliminary determinations).

### Estimated Weighted-Average Dumping Margins

The weighted-average antidumping duty margin percentages and cash deposit rates are as follows:

<b>Brazil</b>	Exporter or Producer	Weighted-Average Dumping Margin (percent)
	ARLANXEO Brasil S.A.	19.61
	All-Others	19.61

<b>Korea</b>	Exporter or Producer	Weighted-Average Dumping Margin (percent)
	LG Chem, Ltd	9.66
	Daewoo International Corporation	**44.30
	Kumho Petrochemical Co, Ltd	**44.30
	All-Others	9.66

\*\*(AFA).

<b>Mexico</b>	Exporter or Producer	Weighted-Average Dumping Margin (percent)
	Industrias Negromex S.A. de C.V. – Planta Altamira (Negromex)	19.52
	All-Others	19.52

<b>Poland</b>	Exporter or Producer	Weighted-Average Dumping Margin (percent)
	Synthos Dwory	25.43
	All-Others	25.43

This notice constitutes the antidumping duty orders with respect to ESB rubber from Brazil, Korea, Mexico, and Poland pursuant to section 736(a) of the Act. Interested parties can find a list of antidumping duty orders currently in effect at <http://enforcement.trade.gov/stats/iastats1.html>.

These orders are published in accordance with section 736(a) of the Act and 19 CFR 351.211(b).

Dated: September 6, 2017.

Gary Taverman  
Deputy Assistant Secretary  
for Antidumping and Countervailing Duty Operations,  
performing the non-exclusive functions and duties of the  
Assistant Secretary for Enforcement and Compliance

## **Appendix**

### **Scope of the Orders**

The products covered by these orders are cold-polymerized emulsion styrene-butadiene rubber. The scope of the orders includes, but is not limited to, ESB rubber in primary forms, bales, granules, crumbs, pellets, powders, plates, sheets, strip, etc. ESB rubber consists of non-pigmented rubbers and oil-extended non-pigmented rubbers, both of which contain at least one percent of organic acids from the emulsion polymerization process.

ESB rubber is produced and sold in accordance with a generally accepted set of product specifications issued by the International Institute of Synthetic Rubber Producers (IISRP). The scope of the investigations covers grades of ESB rubber included in the IISRP 1500 and 1700 series of synthetic rubbers. The 1500 grades are light in color and are often described as “Clear” or “White Rubber.” The 1700 grades are oil-extended and thus darker in color, and are often called “Brown Rubber.”

Specifically excluded from the scope of these orders are products which are manufactured by blending ESB rubber with other polymers, high styrene resin master batch, carbon black master batch (*i.e.*, IISRP 1600 series and 1800 series) and latex (an intermediate product).

The products subject to these orders are currently classifiable under subheadings 4002.19.0015 and 4002.19.0019 of the Harmonized Tariff Schedule of the United States (HTSUS). ESB rubber is described by Chemical Abstract Services (CAS) Registry No. 9003-55-8. This CAS number also refers to other types of styrene butadiene rubber. Although the HTSUS subheadings and CAS registry number are provided for convenience and customs purposes, the written description of the scope of these investigations is dispositive.

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